DOCUMENT RESUME

ED 115 311 IR 002 864

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TITLE	Long-Range Funding for Public Broadcasting. Report from the Subcommittee on Communications, Senate Committee on Commerce, Ninety-Fourth Congress, First Session.
INSTITUTION	Congress of the U.S., Washington, D.C. Senate Committee on Commerce.
PUB DATE	21 Mar 75
NOTE	32p.; Report Number 94-55; For a related document see ED 114 048
EDRS PRICE	MF-$0.76 HC-$1.95 Plus Postage
DESCRIPTORS	Educational Radio; Educational Television; Federal Legislation; *Financial Support; *Government Publications; Government Role; *Public Television
IDENTIFIERS	*Corporation for Public Broadcasting; SB 893

ABSTRACT

This document begins with a summary of the proposed bill on long range funding for public broadcasting, a brief history of federal support for public broadcasting, and a statement of the financial needs of public broadcasting. A section-by-section analysis of the bill, a statement of the purpose of the Corporation for Public Broadcasting (CPB), and a summary of the general provisions of the legislation are included in the text. The appendixes include three letters from CPB officials discussing compliance with Equal Employment Opportunities Council guidelines and the corporation's need for additional funding. (EMH)

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94TH CONGRESS
1st Session

SENATE

REPORT
No. 94-55

LONG-RANGE FUNDING FOR PUBLIC BROADCASTING

MARCH 21 (legislative day, MARCH 21), 1975.—Ordered to be printed

Mr. PASTORE, from the Committee on Commerce, submitted the following

REPORT

[To accompany S. 893]

The Committee on Commerce, to which was referred the bill (S. 893) to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

SUMMARY OF THE LEGISLATION

S. 893 has three principal purposes relating to the Corporation for Public Broadcasting and the system of noncommercial educational radio and television stations:

(1) To provide long-term Federal financing for the Corporation for Public Broadcasting by means of a five-year authorization and appropriation;

(2) To assure that a portion of Federal funds is distributed directly to local noncommercial educational broadcast stations; and

(3) To expand the scope of the Public Broadcasting Act of 1967 to include the development and use of non-broadcast communications technologies for the distribution and dissemination of educational radio and television programming.

BACKGROUND AND NEED FOR LEGISLATION

In enacting the Public Broadcasting Act of 1967, the Congress expressed its desire to foster the growth of noncommercial educational broadcasting as a source of high quality programming responsive to the educational needs and interests of our diverse population and supplementing the existing commercial broadcast system

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
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To implement this general purpose, the 1967 Act established the Corporation for Public Broadcasting to guide the development and programming of educational broadcasting.

Underlying the creation of the Corporation were two fundamental concerns. First, the Congress sought to insure that the Federal Government would not intrude public broadcasting's development and programming through an extraneous interference or control derived from its financing of the system. And secondly, there was a need to establish a nationwide structure for the growth of the public broadcasting system which would emphasize the critical role of local stations in serving the specific educational needs and interests of their particular communities.

In addition to meeting the imperative financial and operating needs of the public broadcasting system, S. 893 would also reaffirm and strengthen these fundamental principles upon which the system is based.

The Financial and Operating Needs of the System

It was never intended that the Corporation for Public Broadcasting be permanently funded through the annual authorization and appropriation process. Rather, this was to be an interim procedure pending submission of a long-term financing plan by the Administration to the Congress.

Thus, in his Health and Education Message to the Congress of February 28, 1967, the President stated:

> I recommend that Congress enact the Public Television Act of 1967 to—
>
> Create a Corporation for Public Television authorized to provide support to noncommercial television and radio. Provide $9 million in fiscal 1968 as initial funding for the Corporation.
>
> Next year, after careful review, I will make further proposals for the Corporation's long-term financing.[1]

Similarly, in its Report accompanying the legislation implementing the President's recommendation (i.e., the Public Broadcasting Act of 1967), your Committee observed:

> Title II provides an authorization of $9 million for the Corporation for the fiscal year 1968. Financing is, of course, one of the complex issues in the development of public broadcasting, and the $9 million is only "seed" money, designed to get the Corporation off the ground. Much more money will be required in future years if the Corporation is to accomplish the task before it. The President said in his message to Congress, recommending the legislation that: "Next year, after careful review, I will make further proposals for the Corporation's long-term financing." [2]

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[1] "Health and Education. Message from the President of the United States," p. 8, 90th Cong., 1st sess., H. Doc. 68 (1967).

[2] "Report of the U.S. Senate Committee on Commerce to Accompany S. 1160," p. 8, 90th Cong., 1st sess., S. Rept. 222 (1967).

However, prior to submission in the last Congress of legislation similar to that reported here by your Committee,[3] no such Administration proposals were forthcoming, and the Corporation has relied on periodic authorizations and appropriations. The following table sets forth the Federal funding which the Corporation has received:

[In millions of dollars]

	1- or 2-yr authorization	Authorization	Appropriation
Fiscal year:			
1969	1 yr.	9	5.0
1970	1 yr.	20	15.0
1971		35	23.0
1972	2 yr.	35	35.0
1973		65	65.0
1974	2 yr., vetoed	90	45.0
1973	1 yr.	45	[1] 35.0
1974		55	47.5
1975		65	62.5

[1] Continuing resolution

The financial and related operating needs of public broadcasting vis-a-vis its listening and viewing audience have greatly expanded since 1967. As indicated in testimony received by your Committee at hearings on similar legislation before the last Congress,[4] there are now 405 noncommercial educational radio and television stations capable of reaching three-fourths of the total population of the United States. In 1967, there were only 124 stations in the entire system; today there are 250 public television stations alone. During the winter of 1974, evening programs of the Public Broadcasting Service (PBS) were viewed or listened to by 32 percent of the total population capable of receiving them. PBS children's programs during the same period had a 26 percent share of the total potential audience. When corrected for duplication, these statistics show that PBS evening and children's programs were viewed or listened to by 43 percent of the total population capable of receiving those programs, or approximately 27.8 million households. Assuming 1.7 persons per household, viewers and listeners of the PBS evening and children's programs during the winter of 1974 totalled 41,000,000. Most importantly, these statistics reflect an annual increase in PBS listening and viewing of approximately 15 percent over 1973.

This significant growth of the public broadcasting system and the substantial increases in its audiences highlight the need for long-term Federal financing to maintain and further expand its program service to the American people.

[3] See S. 3825, 93d Cong., 2d sess. (introduced July 29, 1974). Hearings on the bill were held on Aug. 6, 1974, before the Subcommittee on Communications, see "Hearings on S. 3825, Senate Committee on Commerce," serial No. 93-97, 93d Cong., 2d sess., and the bill reported favorably, see "Report of the U.S. Senate Committee on Commerce to Accompany S. 3825," 93d Cong., 2d sess., S. Rept. 93-1113 (Aug. 20, 1974). Because of the appropriation provision of the bill, it was referred to the Senate Committee on Appropriations where action could not be taken before adjournment of the 93d Congress.

S. 893, as referred to your committee, is identical to S. 3825, as introduced in the last Congress, with the exception of minor changes to conform with the new Federal fiscal year provisions of the Congressional Budget Act of 1974 (Public Law 93-344).

[4] See "Hearings on S. 3825, Senate Committee on Commerce," serial No. 93-97, p. 26 (statement of Hon. Clarence J. Brown, U.S. Representative from the Seventh District of Ohio) and p. 30 (testimony by Mr. Henry Loomis, president, Corporation for Public Broadcasting), 93d Cong., 2d sess. (Aug. 6, 1974).

In particular, long-term funding is critcally needed to assure financial stability within public broadcasting, and thereby permit the advance planning necessary for effective program development and production. As the President of the Corporation for Public Broadcasting, Mr. Henry Loomis, told your Committee in 1973, series programming requires the projection of budget costs over more than one year and lead time is essential:

> The production of programs for presentation by local public broadcasting stations is, and should be, a careful, time-consuming process. It takes time to consult with 147 television licensees and 138 qualified radio stations on their program needs, to analyze and react to their recommendations and their proposals, to decide upon production centers, to negotiate for rights, to produce a pilot, to produce the final series, schedule and present them for use by the stations.
>
> Compressing their entire cycle into a single year means compromising on the quality of the final product. Series like BBC's "Henry VIII" and "Civilisation" cannot be planned and produced in one year. It took almost three years of research, planning, and development before the first "Sesame Street" series could be aired.[5]

Absent reasonable assurance as to the levels of Federal funding available over a multi-year period, the Corporation and local educational stations can undertake this kind of advance planning on only the most limited scale.

Other operating needs and objectives of public broadcasting call for the financial stability which only a multi-year appropriation and authorization can provide. Without long-term funding, it is difficult for public broadcasting to maintain and attract a sufficient level of creative talent vis-a-vis the more financially secure commercial broadcast industry. Long-term funding would also enable the Corporation to realize the objective of decreasing its dependence on foreign programming sources. And, the development of new and innovative program services, such as specialized programming for the handicapped, including television captioning for the deaf and increased radio programming designed especially for the blind, is similarly contingent on long-term committed investment.

Your Committee believes that long-term Federal funding for public broadcasting is thus essential to meet the pressing current needs of the system and to ensure that its full potential for excellence in both the quantity and quality of its service will be realized in the future.

The Need for Insulated Funding

The Public Broadcasting Act of 1967 established the principle that while Federal funding was both necessary and proper to assist in the development of public broadcasting, such funding should not be allowed to serve as a potential vehicle for extraneous governmental control over the system's programming.

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[5] "Hearings on S. 1090 and S. 1228, Senate Committee on Commerce," p. 42, serial No. 93-10, 93d Cong., 1st sess. (1973).

In this regard, your Committee's Report on that legislation contained the following statement:

> Your committee has heard considerable discussion about the fear of Government control or interference in programming if S. 1160 is enacted. We wish to state in the strongest terms possible that it is our intention that local stations be absolutely free to determine for themselves what they should or should not broadcast. As President Johnson said in his message of February 28:
>
> "Noncommercial television and radio in America, even though supported by Federal funds, must be absolutely free from any Federal Government interference over programming."
>
> Dr. James Killian, who headed the Carnegie Commission on Educational Television, came to the same conclusion when referring to the findings of his group when he said:
>
> "The Commission categorically affirmed that the Corporation for Public Television must be private and nongovernmental, that it must be insulated to the greatest possible degree from threat and political control." [6]

In providing a five-year authorization and appropriation, S. 893 would assure public broadcasting of the Federal funding levels available for its long-range development thereby reaffirming and strengthening this critical principle of independence.

While your Committee recognizes the paramount congressional responsibility for designating and overseeing the disbursement and use of public funds, it nonetheless believes that this legislation represents a necessary accommodation of that responsibility with essential objectives and needs of public broadcasting. As the former Director of the Office of Telecommunications Policy, Dr. Clay T. Whitehead, stated to your Committee at hearings on similar legislation before the last Congress:

> * * * Congress has an inescapable responsibility for holding the recipients of tax dollars accountable for their use of public funds. This is a valid and necessary governmental responsibility even when the recipient of such funds operate a communications medium.
>
> Annual appropriations, however, are just as unacceptable as permanent appropriations, because there is insufficient insulation between the budgetary and appropriations processes and sensitive programming judgments. A multi-year appropriation represents a reasonable balance between the conflicting objectives of insulated financing and government fiscal responsibility.[7]

It should be emphasized that the legislation retains significant safeguards against any potential for the abuse or misuse of a multi-year

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[6] "Report of the U.S. Senate Committee on Commerce To Accompany S. 1160", p. 11, 90th Cong., 1st sess., S. Rept. 222 (1967).

[7] "Hearings on S. 3825, Senate Committee on Commerce", p. 12, serial No. 93–97, 93d Cong., 2d sess. (1974).

appropriation. The Corporation for Public Broadcasting would remain fully accountable in that its officials would be required to be available for annual oversight hearings before appropriate committees of the Congress. In addition, the Corporation's directors are subject to Senate confirmation. The ultimate safeguard is, of course, the Congressional prerogative of amending the funding provisions of the Act at any time.

By determining the annual authorization and appropriation based on a formula of a 40 percent Federal match of the entire public broadcasting system's non-Federal income, the legislation further insures that Federal funding will not dominate the system but rather will provide a needed stimulus for non-Federal support. Under this formula, $1.00 in Federal funds would be appropriated for every $2.50 received by the Corporation, stations, and other public broadcasting entities from State and local governmental and private sources. No more than 28 percent of public broadcasting's total income will be derived from Federal funds. By providing that Federal support will increase only as nationwide non-Federal support grows, the legislation ties Federal funding of the system to a rough but meaningful measure of its effectiveness.

As a further necessary safeguard of sound fiscal policy, the legislation stipulates ceilings on the maximum authorization and appropriation permitted for each fiscal year. However, as discussed below, your Committee believes that the particular ceilings proposed by S. 893, as introduced, do not adequately allow for the continued growth of the public broadcasting system and therefore fail to provide the desired insulation and incentive for increasing non-Federal support.

The Principle of Localism

The Public Broadcasting Act of 1967 also emphasized the importance of local stations in the national public broadcasting structure and their role in providing programming specifically responsive to the needs and interests of their particular communities.

Developments in the relationship of the Corporation for Public Broadcasting and local stations, including the 1973 Partnership Agreement between the Corporation and the Public Broadcasting Service and the formation of the National Station Cooperative, have given specific content to this fundamental policy.

S. 893 would build upon these developments and provide further needed support for the principle of localism in public broadcasting. As Dr. James R. Killian, Jr., Chairman of the Carnegie Commission on Educational Television and a director of the Corporation for Public Broadcasting since its inception, told your Committee at hearings in 1973: "* * * the prime enemies of localism are the one-year appropriation and inadequate funds."[8] If local stations are to fulfill their intended role in the public broadcasting system, they must be assured of long-term funding levels adequate to justify increased programming investment commitments.

In addition to providing a five-year authorization and appropriation for the Corporation for Public Broadcasting, the legislation in-

[8] "Hearings on S. 1090 and S. 1228, Senate Committee on Commerce," serial No. 93-10, p. 43, 93d Cong., 1st sess. (1973).

sures that a reasonable portion of each annual appropriation to the Corporation (from 40 to 50 percent depending on the level of such appropriation) will be designated for distribution to local educational television and radio stations. In this regard, it should be noted that the Corporation has already committed itself, by agreement with local television station representatives, to distribute greater amounts of its appropriation to those stations.

Other provisions also insure that the licensees and permittees of local stations will play a substantial role in the decision-making processes concerning the distribution of funds within the national structure.

The legislation further provides that the amount of Federal funds annually apportioned to each local station may not exceed one-half of that station's total non-Federal support base thereby further promoting financial independence at the local level.

Your Committee believes that these aspects of the legislation are essential to preserve and strengthen the principle of localism and to promote its objectives of program diversity and excellence within the nationwide public broadcasting system.

Development and Use of New Technology

S. 893 would authorize the Corporation for Public Broadcasting, either directly or through grants or contracts, to conduct research, demonstrations, or training with respect to the use of non-broadcast communication technologies for the dissemination of educational television or radio programs. The legislation would also permit local stations to use the distributed Federal funds for the development and use of such technologies in transmitting programs to their audiences.

Your Committee believes that such authorizations are necessary to allow public broadcasting to share in the development and use of advanced communications, including cable television and satellites, and thereby improve its service to its listening and viewing public.

In summary, although limited by the uncertainty of the annual appropriation process and the restraints of underfunding, public broadcasting has greatly enriched the quality of our national and local life. If there is regret with respect to the record since 1967, it comes from considering what benefits the medium could have provided the American people had it been properly funded.

It is the hope of your Committee that this legislation will mark the beginning of a new and strengthened commitment to public broadcasting.

Hearings

No hearings were held on S. 893; however, hearings on virtually identical legislation were held by your Committee in the second session of the last Congress.[9]

At those hearings, your Committee heard testimony from more than twenty witnesses, and also received numerous written testimony supporting the legislation.

[9] See references at note 3, *supra*.

Among those testifying in favor of enactment were: A spokesman for the Administration, a member of Congress, the FCC, the Chairman and Board members of the Corporation for Public Broadcasting, the presidents of National Public Radio and the Association of Public Radio Stations, and the Chairman and members of the Board of Governors of the Public Broadcasting Service.

Several witnesses were concerned with the Corporation's responsibility to women, ethnic and other minorities in the area of equal employment opportunity.

The cause of equal employment opportunity is, of course, one that deserves the full attention, encouragement, and support of Public Broadcasting.

Your Committee was informed by letter (Appendix A) that the Board of Directors of the Corporation has adopted a strengthened, comprehensive equal employment opportunity policy regarding both grant applicants and grant recipients. Your Committee was also informed by letter (Appendix B) that the Public Broadcasting Service has instituted a Committee of the Board through which it intends to make service to minorities and women a priority at both the national and local level. In this regard, the Committee of the Board is presently undertaking substantive projects in the areas of programming and employment.

Committee Amendments

With the exception of minor modifications to conform with the new Federal fiscal year provisions of the Congressional Budget Act of 1974 (Public Law 93-344), S. 393, as introduced and referred to your Committee, would have provided virtually the same authorization and appropriation ceilings as the prior legislation submitted to the last Congress:

Fiscal year ending June 30, 1976	$70,000,000
Transition period from July 1, 1976, through Sept. 30, 1976	17,500,000
Fiscal year ending Sept. 30, 1977	80,000,000
Fiscal year ending Stpt. 30, 1978	90,000,000
Fiscal year ending Sept. 30, 1979	95,000,000
Fiscal year ending Sept. 30, 1980	100,000,000

Based on the testimony received at the hearings in the last Congress, review of its prior report, and independent consideration of the present legislation, your Committee has adopted an amendment which would increase the annual authorization and appropriation ceilings contained in new Section 396(k)(2)(3) as added by Section 2 of the bill. So amended, the ceilings are as follows:

Fiscal year ending June 30, 1976	$88,000,000
Transition period from July 1, 1976, through Sept. 30, 1976	22,000,000
Fiscal year ending Sept. 30, 1977	103,000,000
Fiscal year ending Sept. 30, 1978	121,000,000
Fiscal year ending Sept. 30, 1979	140,000,000
Fiscal year ending Sept. 30, 1980	160,000,000

A second amendment would make a corresponding upward adjustment in the minimum amount of each annual appropriation which must be reserved by the Corporation for distribution to educational broadcast stations under new Section 396(k)(2)(5) as added by Section 2 of the bill. So amended, the statutory percentage for distribu-

tion to stations would be 40 percent for the period July 1, 1976 through September 30, 1976 and in any fiscal year in which the Federal appropriation is $88,000,000 or more but less than $121,000,000; 45 percent at an appropriation level of $121,000,000 or more but less than $160,000,000; and 50 percent at an appropriation level of $160,000,000.

If the 40 percent matching principle is to work properly to achieve the desired degree of insulated funding, the appropriation ceilings must be set high enough to allow the Federal appropriations to be determined by the full amount of non-Federal funds generated by the match. It is your Committee's judgment that the ceilings provided in the bill, as introduced, are too low and do not reasonably allow for the continued growth of the public broadcasting system. Thus, although the legislation prescribes a match of one Federal dollar for each 2.5 non-Federal dollars of public broadcasting support, the ceilings in the bill limit the maximum annual Federal appropriations to an amount which is substantially less than 40 percent of the non-Federal support reasonably expected in the applicable fiscal year.

To illustrate, in fiscal year 1973, actual reported non-Federal income of public broadcasting was $199 million. The system's non-Federal income in fiscal year 1974 is expected to be close to or in excess of $220 million.[9] Applying the prescribed 1 to 2.5 Federal match ratio, such non-Federal income would justify a Federal appropriation in fiscal year 1976 of $88 million. The bill, as introduced, however, would have limited the Federal appropriation in that fiscal year to $70 million.

Your Committee therefore believes that the increased ceilings embodied in its amendments are essential to provide the desired incentive to increase non-Federal support and ensure fully insulated funding based on the continued growth of the system.

Your Committee has also adopted certain technical amendments which do not affect the substance of the legislation.

Conclusion

This legislation in essence fulfills a long-standing promise to public broadcasting and represents a commitment which is long overdue.

As amended, S. 893 provides a level and vehicle for Federal funding which will reaffirm and strengthen the fundamental principles underlying the public broadcasting system's creation in 1967. It ensures the insulation of Federal funding necessary to preserve and protect independent programming determinations; recognizes and supports a continued commitment to the concept of localism within the national public broadcasting structure; and provides the financial stability and means needed for the system to realize its full potential for excellence and diversity of service to its listening and viewing audience.

In your Committee's judgment, public broadcasting has developed to the point where this legislation is no longer merely desirable. The fulfillment of the promise embodied in S. 893 is essential if public broadcasting is to fulfill its promise to the American people.

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[9] See letter to Senator John O. Pastore from Robert S. Benjamin, chairman of the board, Corporation for Public Broadcasting; Ralph B. Rogers, chairman of the board, Public Broadcasting Service; and William H. Kling, chairman of the board, Association of Public Radio Stations, dated Mar. 5, 1975, and attached to this report as Appendix C.

Section-by-Section Analysis

This Act may be cited as the "Public Broadcasting Financing Act of 1975."

SECTION 2

Subsection 396(k) is amended to establish a five-year Federal financing plan for the Corporation for Public Broadcasting, and to assure that a portion of the funds appropriatedto the Corporation is distrib uted directly to local stations.

Paragraph (3), as amended, of Subsection 396(k) would establish a "Public Broadcasting Fund" in the Treasury, to which there would be authorized for appropriation, for fiscal years 1976–1980, amounts equal to 40 percent of the total non-Federal financial support received by public broadcasting entities during each second-preceding fiscal year. A one-year time lag is necessary to accumulate the information for determining the amount on which the 40 percent match would be based. The three-month period between July 1, 1976, and September 30, 1976, which is the transition period between the July 1 Federal fiscal year and the new October 1 fiscal year, is treated as a separate authorization period pursuant to section 502(a) of Public Law 93–344. The basis for the 40 percent match for this three-month period is one-fourth of the non-Federal contributions to public broadcasting during fiscal year 1975. The appropriation for each fiscal year could not exceed the following ceilings: $88 million in fiscal year 1976; $103 million in fiscal year 1977; $121 million in fiscal year 1978; $140 million in fiscal year 1979; and $160 million in fiscal year 1980. Finally, the appropriation, for the three-month transition period could not exceed $22 million.

Paragraph (4) would appropriate to the Public Broadcasting Fund the amounts authorized by paragraph (3). Amounts appropriated to the Fund would remain available until expended. This paragraph also sets forth the procedure whereby the amounts appropriated each year would be disbursed from the Public Broadcasting Fund to the Corporation, and requires that the funds be used solely for the Expenses of the Corporation. The Corporation would be required to determine the amount of non-Federal financial support received by public broadcasting entities during each second preceding year, and to certify that amount to the Secretary of the Treasury. The Secretary, upon receipt of such certification, would pay from the Fund to the Corporation the amount of the appropriation, i.e., 40 percent of the certified non-Federal income or the statutory ceiling, whichever is less.

Paragraph (5) would require the Corporation to set aside a specified percentage of the appropriated funds for distribution to on-the-air non-commercial educational broadcast stations. The statutory percentage for distribution to stations would be 40 percent for the fifteen-month period from July 1, 1975, to September 30, 1976, and in any fiscal year in which the appropriation was $88 million or more but less than $121 million; 45 percent at an appropriation level of more than $121 million but less than $160 million; and 50 percent at an appropriation level of $160 million. The statutory percentage is expressed as a minimum, so that the Corporation could reserve a greater amount than that specified in the bill.

Paragraph (6) sets forth the method for distributing the funds reserved pursuant to paragraph (5). The Corporation would be required to establish, and review annually, after consultation with the licensees and permittees of on-the-air educational stations, criteria and conditions for the distribution of these funds. In each fiscal year, the Corporation would be required to divide the funds into two portions, one to be distributed to television stations and one to be distributed to radio stations. Each licensee or permittee of an on-the-air educational television stationwould receive a basic grant from the portion reserved for television. The amount of this basic grant would be the same for each station, and would be determined annually by the Corporation in consultation with stations. The balance of the amount reserved for television stations would be distributed among licensees and permittees of such stations as are eligible to receive additional grants under criteria established by the Corporation in consultation with stations. These additional grants would be apportioned among eligible stations on the basis of a formula designed to (a) provide for the financial needs of stations in relation to the communities and audiences they undertake to serve and (b) stimulate non-Federal financial support for station activities. The bill does not prescribe a precise formula for the distribution of additional grants, but rather states these two objectives that the formula is to achieve. The details of the formula, as well as the weight assigned to each factor, would be determined by the Corporation in consultation with stations.

A somewhat different distribution mechanism is established for noncommercial educational radio stations. Many such stations are licensed to educational institutions for purposes of training students in broadcasting and do not render a direct service to the general public. Accordingly, only those stations that are eligible according to public interest criteria established by the Corporation would receive grants from the portion of funds reserved for distribution to radio stations. The bill does provide, however, that each such eligible radio station would receive a basic grant. As with television stations, funds in addition to the basic grant would be distributed to eligible radio stations according to a formula that would stimulate non-Federal income and reflect the needs of stations in relation to the audiences they serve.

The bill assures that licensees and permittees of stations would play a significant role in the decision-making processes relating to distribution of funds to stations. The Corporation would be required to consult with licensees and permittees (including their authorized representatives) in (a) apportioning the funds between radio and television, (b) determining the amount of the basic grant to stations, (c) establishing eligibility criteria for radio stations and for additional grants to television stations and (d) establishing the formula for apportioning additional grants among stations, including the weight to be assigned to the statutory objectives of stimulating non-Federal income and reflecting the needs of stations in relation to the audiences they serve.

This paragraph also provides that the funds distributed according to this subsection may not exceed, in any fiscal year, one-half of a licensee's or permittee's total non-Federal financial support during the fiscal year second preceding the fiscal year in which the distribution is made. This limitation would not apply to grants made by the Cor-

poration under development programs designed to meet special needs of particular stations.

Paragraph (7) provides that the funds distributed to stations may be used at their discretion for purposes related to the provision of non-commercial educational television and radio programming. Several examples of such purposes are set forth, including: producing, broadcasting or otherwise disseminating educational television or radio programs; procuring national or regional program distribution services that make educational television or radio programs available for broadcast or other dissemination at times chosen by stations; acquiring, replacing, and maintaining facilities, and real property used with facilities, for the production, broadcast or other dissemination of educational television and radio programs; developing and using non-broadcast communications technologies (such as cable television and communications satellites) for educational television or radio programming purposes.

This list of purposes for which funds may be used by stations is not meant to be exhaustive. For example, although not specifically mentioned, it is intended that these funds could be used for the payment of dues or assessments to organizations which represent the interests of stations. One purpose for listing several typical uses of the funds is to make it clear that stations may undertake the development and use of non-broadcast methods of transmitting programs to the public. In this regard, the term "dissemination" is intended to mean delivery of programs to viewers and listeners by means of non-broadcast technologies.

SECTION 3

Subsection 396(g)(2)(H) is amended to permit the Corporation to conduct research, demonstrations, or training in the use of non-broadcasts communications techologies, as discussed above, for the dissemination of educational television or radio programs.

SECTION 4

A provision is added to Subsection 396(i) of the Act, which pertains to the annual report of the Corporation. The new provision states that the officers and directors of the Corporation shall be available to testify annually before appropriate committees of the Congress with respect to the annual report of the Corporation and with respect to the report of any audit made by the Comptroller General pursuant to subsection 396(*l*) of the Act. Even with long-term Federal financing, the Corporation remains fully accountable to the public and to the Congress for its use of public funds. In view of the multi-year appropriation provision of the bill, this addition will provide the opportunity for annual Congressional review of the Corporation and ts activities.

SECTION 5

The provision in the bill for appropriations amounting to 40 percent of the non-Federal income of public broadcasting entities and the limitation on the amount of funds that may be distributed to a station, expressed as a percentage of non-Federal income, necessitates the inclusion of two new definitions in the Act.

The term "public broadcasting entity" is defined to mean the Corporation for Public Broadcasting, any licensee or permittee of a noncommercial educational broadcast station, and any nonprofit institution engaged primarily in the production, acquisition, distribution or dissemination of educational television or radio programs. Examples of the latter category include program production organizations, such as the Children's Television Workshop, and organizations providing program distribution services to stations such as the Public Broadcasting Service and National Public Radio.

The term "non-Federal financial support" is defined to mean the total value of cash and fair market value of property and services (except for personal services of volunteers) received as gifts, grants, bequests, donations, or other contributions for the construction or operation of noncommercial educational broadcast stations, or for the production, acquisition, distribution or dissemination of educational television or radio programs and related activities. The definition includes such funds received from any source other than (1) the Federal Government or (2) any public broadcasting entity. The latter exception is intended to eliminate the double counting of funds circulated within the public broadcasting system. Thus, for example, income from a non-Federal source received in the first instance by a national public broadcasting organization and then distributed to stations or other public broadcasting entities would be counted only once.

In addition, the term is defined to include income received for public broadcasting purposes from State and local governments and educational institutions, as well as contract payments from such entities in exchange for services or materials relating to the provision of educational or instructional television or radio programs. Excluded from the definition are contract payments for such services from sources other than State and local governments and educational institutions, as well as contract payments in exchange for commercial services which might be provided by public broadcasting entities.

Cost Estimate

Pursuant to section 252 of the Legislative Reorganization Act of 1970, the Committee estimates that the cost of this legislation will be a maximum total of $634,000,000 for the five fiscal years 1976–1980 plus the three-month transition period between July 1, 1976 and September 30, 1976. The Committee knows of no cost estimate by any Federal agency which is at variance with its estimate.

Changes in Existing Law

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

§ 396. Corporation for Public Broadcasting—Congressional declaration of policy.

* * * * * * *

PURPOSES AND ACTIVITIES OF THE CORPORATION; POWERS UNDER THE DISTRICT OF COLUMBIA NONPROFIT CORPORATION ACT

(g) (1) In order to achieve the objectives and to carry out the purposes of this subpart, as set out in subsection (a) of this section, the Corporation is authorized to—

(A) facilitate the full development of educational broadcasting in which programs of high quality, obtained from diverse sources, will be made available to noncommercial educational television or radio broadcast stations, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature;

(B) assist in the establishment and development of one or more systems of interconnection to be used for the distribution of educational television or radio programs so that all noncommercial educational television or radio broadcast stations that wish to may broadcast the programs at times chosen by the stations;

(C) assist in the establishment and development of one or more systems of noncommercial educational television or radio broadcast stations throughout the United States;

(D) carry out its purposes and functions and engage in its activities in ways that will most effectively assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities.

(2) Included in the activities of the Corporation authorized for accomplishment of the purposes set forth in subsection (a) of this section, are, among others not specifically named—

(A) to obtain grants from and to make contracts with the individuals and with private, State, and Federal agencies, organizations, and institutions;

(B) to contract with or make grants to program production entities, individuals, and selected noncommercial educational broadcast stations for the production of, and otherwise to procure, educational television or radio programs for national or regional distribution to noncommercial educational broadcast stations;

(C) to make payments to existing and new noncommercial educational broadcast stations to aid in financing local educational television or radio programming costs of such stations, particularly innovative approaches thereto, and other costs of operation of such station;

(D) to establish and maintain a library and archives of noncommercial educational television or radio programs and related materials and develop public awareness of and disseminate information about noncommercial educational television or radio broadcasting by various means, including the publication of a journal;

(E) to arrange, by grant or contract with appropriate public or private agencies, organizations, or institutions, for interconnection facilities suitable for distribution and transmission of educational television or radio programs to noncommercial educational broadcast stations;

(F) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the Corporation in carrying out the purposes of this section;

(G) to encourage the creation of new noncommercial educational broadcast stations in order to enhance such service on a local, State, regional, and national basis;

(H) conduct (directly or through grants or contracts) research, demonstrations, or training in matters related to noncommercial educational television or radio broadcasting[.] *and the use of nonbroadcast communications technologies for the dissemination of educational television or radio programs.*

* * * * * * *

REPORT TO CONGRESS

(i) The Corporation shall submit an annual report for the preceding fiscal year ending June 30 to the President for transmittal to the Congress on or before the 31st day of December of each year. The report shall include a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Corporation deems appropriate. *The officers and directors of the Corporation shall be available to testify annually before appropriate committees of the Congress with respect to such report and with respect to the report of any audit made by the Comptroller General pursuant to subsection 396(l).*

* * * * * * *

FINANCING

(k)(1) There is authorized to be appropriated for expenses of the Corporation $50,000,000 for the fiscal year ending June 30, 1974, and $60,000,000 for the fiscal year ending June 30, 1975.

(2) In addition to the sums authorized to be appropriated by paragraph (1) of this subsection, there are authorized to be appropriated for payment to the Corporation for each fiscal year during the period July 1, 1970, to June 30, 1975, amounts equal to the amount of total grants, donations, bequests, or other contributions (including money and the fair market value of any property) from non-Federal sources received by the Corporation under subsection (g) (2) (A) of this section during such fiscal year; except that the amount appropriated pursuant to this paragraph for any fiscal year may not exceed $5,000,000.

(3) There is hereby established in the Treasury a fund which shall be known as the "Public Broadcasting Fund," administered by the Secretary of the Treasury. There are authorized to be appropriated to said Fund for each of the fiscal years during the period beginning July 1, 1975, and ending September 30, 1980, an amount equal to forty (40) percent of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year second preceding each such fiscal year, and for the period July 1, 1976 through September 30, 1976 an amount equal to ten (10) percent of the total

amount of non-Federal financial support received by public broadcasting entities during the fiscal year ending June 30, 1974; Provided, however, that the amount so appropriated shall not exceed $88,000,000 for the fiscal year ending June 30, 1976; $22,000,000 for the period July 1, 1976 through September 30, 1976; $103,000,000 for the fiscal year ending September 30, 1977; $121,000,000 for the fiscal year ending September 30, 1978; $140,000,000 for the fiscal year ending September 30, 1979; and $160,000,000 for the fiscal year ending September 30, 1980.

(4) There are hereby appropriated to the Public Broadcasting Fund, out of any moneys in the Treasury not otherwise appropriated, for each of the fiscal years during the period beginning July 1, 1975, and ending September 30, 1980, and for the period July 1, 1976 through September 30, 1976, such amounts are authorized to be appropriated by paragraph (3) of this subsection, which shall remain available until expended. Such funds shall be used solely for the expenses of the Corporation. The Corporation shall determine the amount of non-Federal financial support received by public broadcasting entities during each of the fiscal years indicated in paragraph (3) of this subsection for the purpose of determining the amount of each authorization, and shall certify such amount to the Secretary of the Treasury. Upon receipt of such certification, the Secretary of the Treasury shall disburse from the Public Broadcasting Fund the amount appropriated to the Fund for each of the fiscal years and for the period July 1, 1976 through September 30, 1976 pursuant to the provisions of this subsection.

(5) The Corporation shall reserve for distribution among the licensees and permittees of noncommercial educational broadcast stations that are on-the-air an amount equal to not less than forty (40) percent of the funds disbursed to the Corporation from the Public Broadcasting Fund during the period July 1, 1975 through September 30, 1976 and in each fiscal year in which the amount disbursed is $88,000,000 or more but less than $121,000,000; not less than forty-five (45) percent in each fiscal year in which the amount disbursed is $121,000,000 or more but less than $60,000,000; and not less than fifty (50) percent in each fiscal year in which the amount disbursed is $160,000,000.

(6) The Corporation shall, after consultation with licensees and permittees of noncommercial educational broadcast stations that are on the air, establish, and review annually, criteria and conditions regarding the distribution of funds reserved pursuant to paragraph (5) of this subsection, as set forth below:

(A) The total amount of funds shall be divided into two portions, one to be distributed among radio stations, and one to be distributed among television stations. The Corporation shall make a basic grant from the portion reserved for television stations to each licensee and permittee of a noncommercial educational television station that is on-the-air. The balance of the portion reserved for television stations and the total portion reserved for radio stations shall be distributed to licensees and permittees of such stations in accordance with eligibility criteria that promote the public interest in noncommercial educational broadcasting, and on the basis of a formula designed to—

(i) provide for the financial needs and requirements of stations in relation to the communities and audiences such stations undertake to serve;

(ii) maintain existing, and stimulate new, sources of non-Federal financial support for stations by providing incentives for increases in such support; and

(iii) assure that each eligible licensee and permittee of a noncommercial educational radio station receives a basic grant.

(B) No distribution of funds pursuant to this subsection shall exceed, in any fiscal year, one-half of a licensee's or permittee's total non-Federal financial support during the fiscal year second preceding the fiscal year in which such distribution is made.

(7) Funds distributed pursuant to this subsection may be used at the discretion of stations for purposes related to the provision of educational television and radio programming, including but not limited to: producing, acquiring, broadcasting or otherwise disseminating educational television or radio programs; procuring national or regional program distribution services that make educational television or radio programs available for broadcast or other dissemination at times chosen by stations; acquiring, replacing, and maintaining facilities, and real property used with facilities, for the production, broadcast or other dissemination of educational television and radio programs; developing and using non-broadcast communications technologies for educational television or radio programming purposes.

* * * * * * *

SUBPART C.—GENERAL PROVISIONS

§ 397. Definitions.

For the purposes of sections 390–399 of this title—

* * * * * * *

(10) The term "non-Federal financial support" means the total value of cash and the fair market value of property and services (except for personal services of volunteers) received—

(A) as gifts, grants, bequests, donations, or other contributions for the construction or operation of noncommercial educational broadcast stations, or for the production, acquisition, distribution, or dissemination of educational television or radio programs, and related activities, from any source other than (i) the United States or any agency or establishment thereof, or (ii) any public broadcasting entity; or

(B) as gifts, grants, donations, contributions, or payments from any State, any agency or political subdivision of a State, or any educational institution for the construction or operation of noncommercial educational broadcast stations or for the production, acquisition, distribution, or dissemination of educational television or radio programs, or payments in exchange for services or materials respecting the provision of educational or instructional television or radio programs.

(11) The term "public broadcasting entity" means the Corporation, any licensee or permittee of a noncommercial educational broadcast station, or any nonprofit institution engaged primarily in the production, acquisition, distribution, or dissemination of educational television and radio programs.

APPENDIX A

CORPORATION FOR PUBLIC BROADCASTING,
Washington, D.C., August 13, 1974.

Senator JOHN O. PASTORE,
Chairman, Subcommittee on Communications, Senate Committee on Commerce, New Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: On behalf of the Board and management of the Corporation for Public Broadcasting, I want to thank you and the Subcommittee for your prompt scheduling and conduct of hearings on S. 3825, to provide five-year, insulated federal support for public broadcasting. Our Board, and I personally, are deeply grateful for the leadership and constructive attitude of the Subcommittee evident throughout the hearings.

We are also grateful for the opportunity you have provided for us to comment upon certain matters mentioned before the Subcommittee by other witnesses.

Several of the witnesses before your Committee were concerned with CPB's responsibilities to women and ethnic and other minorities. For example, reference was made during the hearings to the CPB leadership role in effecting equal employment opportunities for minorities and women in public broadcasting. One witness argued that CPB should assume a regulatory role in this area. You questioned this point, and we believe you are entirely correct. The Corporation is not a government agency, and does not possess regulatory or judicial authority in the equal employment opportunity area. In our opinion, it should not.

On the other hand, the Board is keenly aware that the cause of equal employment opportunity is one that deserves the full attention, encouragement, and support of CPB. The Board's awareness of its own opportunities to enhance equal employment opportunity in the public broadcasting community has prompted a number of significant achievements in this regard. Not the least of these is the Board's adoption on March 1, 1974, of a strengthened, comprehensive equal employment opportunity policy regarding both grant applicants and grant recipients. A copy of this policy is attached to this letter. CPB is committed to the full, contractual enforcement of this policy by all grant applicants and recipients. We believe that this policy is consistent with CPB's private status, statutory mandate to "facilitate the full development of noncommercial educational radio and television broadcasting", and its commitment to assist in the attainment of the equal employment opportunity goals of the public broadcasting community.

Another witness before your committee gave statistics to support a contention that black employment is at a lower level in public broad-

casting than in commercial broadcasting. We have checked the study cited as well as statistics published by the Research Branch of the Federal Communications Commission. These sources do not support the statement made. They show that the percentage of minority employment in public broadcasting is slightly higher than in commercial broadcasting. We can supply additional details if the Committee wishes. We agree, however, that the record is far from satisfactory, and we are attempting to improve it.

For example, CPB is pleased to note that its Minority Training Program, now in its third year is, even under continuing resolution funding for CPB, enjoying increased financial support. Since its inception, the program has assisted 51 public television and radio stations to employ 53 minority persons in internships designed to equip these persons for specific positions of responsibility at the individual stations. By agreeing to pay half the salary and benefits of minority candidates who will acquire on-the-job training for these positions, CPB is engaging in an upward mobility program that is already accomplishing significant results.

One or more witnesses suggested that CPB data regarding the employment of minorities and women in public broadcasting become a part of CPB's statutory Annual Report, or that specific legislative oversight hearings on this matter be conducted regularly. CPB is, of course, prepared to furnish this data to the Committee and the public on a regular basis, and is always ready to participate in whatever oversight hearings Congressional committees with jurisdiction may require. We believe, however, that the data involved, complex and voluminous as it is, should not be incorporated in the Annual Report presently required in the Public Broadcasting Act of 1967 as amended. The Corporation, in cooperation with the Office of Education, publishes annual statistical compilations containing this data. We believe that these are the appropriate means for its dissemination.

The record also demonstrates a misunderstanding on the part of some witnesses regarding the report of CPB's Advisory Panel on Essentials for Effective Minority Programming. This panel, chaired by a Board member, Dr. Gloria Anderson, submitted its final report to the CPB Board in May 1974. The Report was also furnished to your Committee and to other legislative units concerned with the issues treated in the Report, to the general press, and to 1,022 persons representing minority interest groups, public broadcasting stations, the Advisory Council of National Organizations, and others. The CPB Board has already indicated its preliminary approval for the general thrust of the Report. Full Board consideration of the recommendations contained in the Report is presently scheduled for a September 1974 meeting. We will, of course, be pleased to furnish a follow-up on the Board's considerations as soon as possible.

We will be pleased to furnish whatever additional information your Committee may require, including any details that you would like to have in connection with the matters referred to in this letter.

Sincerely,

HENRY LOOMIS.

Corporation for Public Broadcasting—Statement of Policy on Equal Opportunity and CPB Assistance

I. POLICY

It is the policy of the Corporation for Public Broadcasting: (1) to fully comply with all applicable laws and regulations, including laws and regulations prohibiting discrimination against any person on the basis of race, color, religion, national origin, age, or sex, and (2) to require that each recipient of assistance from the Corporation whether in cash or in kind, comply with all such laws and regulations.

II. CPB ROLE AND COOPERATION WITH GOVERNMENT AGENCIES

The Corporation for Public Broadcasting is a private, non-profit Corporation. Because CPB is neither a government agency nor a law enforcement body, it does not have the legal authority to investigate and adjudicate complaints based upon allegedly discriminatory practices by recipients of its assistance that such agencies and bodies do. CPB will, however, promptly refer all such complaints received by it to a government agency with jurisdiction for any proceedings that may be appropriate. Further, the Corporation will cooperate fully with every agency with jurisdiction to inquire into allegedly discriminatory practices of recipients of CPB assistance.

III. LAWS AND REGULATIONS APPLICABLE

Applicable laws and regulations prohibiting discrimination against persons on the basis of race, color, religion, national origin, age, or sex may be federal, state or local, and may vary from recipient to recipient and from jurisdiction to jurisdiction. Each applicant or recipient of CPB assistance shall inform itself of the laws and regulations applicable to it, and the Corporation shall not undertake to so inform the applicant or recipient, unless a law or regulation requires that the Corporation do so, and then the Corporation shall undertake to inform the applicant or recipient only to the extent the law requires.

IV. SUSPENSION OR CANCELLATION OF CPB ASSISTANCE

Whenever a court or government agency with jurisdiction shall determine finally that a recipient of assistance from the Corporation is in violation of federal, state or local laws and regulations, prohibiting discrimination on the basis of race, color, religion, age, national origin or sex, and notice of such determination is given in writing to the Corporation by the court, agency, or any other person and officially certified, the Corporation shall promptly notify the recipient that unless the recipient shall demonstrate to the satisfaction of the Corporation within 30 days that the violation has been fully corrected or that the receipient is in full compliance with all remedial provisions of such final determination, the Corporation shall suspend or cancel all assistance to the recipient.

Whenever such final determination is appealed or otherwise challenged in an appropriate forum, whether or not the effect of such

determination is stayed pending appeal, the Corporation shall notify the recipient that, unless the recipient can show cause to the contrary within 30 days, the Corporation shall suspend or cancel CPB assistance. If the Corporation decides to suspend such assistance, then all sums that would otherwise have been payable to the recipient shall be held by the Corporation pending completion of the appellate process, but the provision of in kind assistance shall not be suspended or cancelled pending the appeal.

V. APPLICANTS INELIGIBLE TO RECEIVE CPB ASSISTANCE

An applicant for assistance from the Corporation whom a court or government agency with jurisdiction has determined finally to be in violation of any federal, state or local law or regulation prohibiting discrimination on the basis of race, color, religion, national origin, age, or sex shall be ineligible for assistance from the Corporation, unless the applicant shall demonstrate to the satisfaction of the Corporation that the violation has been fully corrected or that it is in full compliance with all remedial provisions of such final determination.

VI. EFFECTIVE DATE

The provisions of this policy statement shall become effective with respect to assistance granted or applications for assistance filed or pending on or after March 1, 1974.

APPENDIX B

PUBLIC BROADCASTING SERVICE,
Washington, D.C., August 9, 1974.

HON. JOHN O. PASTORE,
Chairman, Senate Commerce Committee Subcommittee on Communications, New Senate Office Building, Washington, D.C.

DEAR SENATOR PASTORE: Among one of the most important and difficult problems we face, one which was addressed by some of the witnesses at the hearing for S 3825 last Tuesday, is how best to serve the special needs of minority persons and women.

Each station, PBS & CPB must come to grips with the questions of which type of services to provide and how to evaluate the success and merit of these services. Just as there is very little consensus among white males as to their beliefs and lifestyles, so also are there vast differences of opinions among minority persons and women as to how their needs can best be met by the media. This lack of consensus, however, must not forestall our efforts to meet these needs.

PBS has recently instituted a Committee of the Board through which we intend to make service to minorities and women a priority at both the national and local level. The Committee expects very soon to undertake substantive projects in the areas of programming and employment.

We readily concede that minorities and women are not adequately represented on public television staffs. This is a situation which we

deplore, and which the system is attempting to correct. PBS has adopted a strong affirmative action plan by which we hope to increase substantially the number of minority persons and women in increasingly influential positions at PBS. This plan has served as a model for similar plans at several of our member stations. (The PBS Affirmative Action Plan is attached.)

CPB has been engaged for some years now in making it possible for several stations throughout the country to initiate training programs for minority persons. One of the largest independent efforts by an individual station is the minority training program at WNET in New York, which grew out of production of the "Black Journal" series. We receive reports from our members that one of the largest problems they face with regard to minority hiring is the lure of higher salaries from commercial enterprises for high level minority employees. Promising and talented new minority staff members are no sooner trained than they are hired away by more affluent employers.

We note with little satisfaction that, according to the FCC's 1973 figures, public television's percentage of female employees is higher than their percentage in commercial television. (Public Television Employment figures are attached.) We are aware that about two-thirds of women in public broadcasting are relegated to positions of little responsibility. At PBS, however, we are making an effort to bring women into fields which have traditionally been considered for men only. For example, we have been training 4 women to work on our technical staff, and one, a Black woman, was recently promoted to the position of technician.

The problem of bringing minority persons and women into positions on our Board of Governors and Board of Managers is more difficult, since the Boards are elected from individual station Boards and staffs. In effect, not even PBS has control over the composition of its Boards and to assume such control would be to interfere with the essentially representational structure of PBS. The problem is further complicated by the fact that many individual station Boards are made up of the trustees of the Universities or governmental organizations to which the station is licensed and over which the local stations can exercise no control of the selection process.

This does not mean, however, that the "public" does not have a voice in PBS. The lay persons who make up the Board of Governors are not broadcasting professionals, but are members of the public whose job is to see that the public is served by their public television station. Public television licensees have both a moral responsibility and a legal mandate to reflect their local communities in their programming and hiring policies.

PBS fully supports the concept that public television licensees must ascertain the needs of their communities. Licensees are currently required to carry out such ascertainment insofar as it is necessary for their operation in the public interest, convenience and necessity. While PBS would welcome FCC guidelines on ascertainment, we oppose the adoption for public television of the ascertainment primer which commercial stations use.

PBS also opposes any measure which would make CPB an enforcer of federal laws, as was suggested by 2 witnesses, on Tuesday. We agree

with CPB's statement in a letter to Congressman Harley O. Staggers of July 20, 1973 that the enforcement of anti-discrimination provisions of laws "is not and should not be the function of CPB or any other private person. This is a governmental function that should be carried out by a duly constituted federal government or agency. CPB's congressional charter requires it to promote the development on noncommercial broadcasting and to foster diverse programming. CPB was not intended by Congress to be a federal policeman." 119 Cong. Rec. H. 6450 (July 20, 1973). Congress accepted that view and the House rejected an amendment to the 1973 appropriation bill which would have required CPB to police the equal employment laws.

PBS supports CPB's position in this matter. CPB has neither the facilities nor the expertise to assume police powers. Moreover, were CPB to take on some of the duties of a governmental agency, which it is not, it—and the programs it develops—will become increasingly subject to governmental control.

In programming, as in employment, public television has begun to fulfill its potential to serve audiences too long ignored by all television broadcasters. Determining which programs best meet minority and female needs is a major task in itself. Should we adopt a somewhat separatist approach, and develop programs exclusively by, exclusively for, and exclusively about a particular target group? Are minorities and women best served by general audience programs which show them interacting with the so-called white establishment in non-stereo-typed racial ethnic or sexual roles? Is a program which deals with problems facing the urban poor a "minority program" regardless of the racial balance of the reporters? These are questions on which reasonable people disagree.

At present, PBS tries to offer all of these types of programs through national distribution. The number of prime-time hours of PBS programming for minority persons and women has increased from 101 hours in 1972 to 169 hours in 1974. (A list of the 1974 programs for minorities and women is attached.)

Since corporate underwriting of this type of programming is very difficult to obtain however, further increases will depend in large part upon our success in obtaining adequate federal funding. PBS, through the Board Committee, is also investigating methods of providing incentives to the stations to increase their minority program development. We hope that our cooperative program market plan, rather than being a disincentive to the development of minority programs, as one witness suggested, will prove to be a vehicle whereby more such programs developed by local stations will find national distribution.

One must recognize that the station program cooperative was not meant to provide a panacea for all the program needs of the stations. The cooperative plan was designed to provide only a portion of the national program needs of the stations. Even if it were designed to fulfill all the needs of the stations, it could not. The stations do not have enough money to buy through the cooperative all the programs they want and need. In a number of cases hard economics dictated that a station pass up the purchase of nationally produced programs for minorities and women in order to have the money to continue to produce programs for minorities and women in their community in their

own studies. These are painful choices but ones necessitated by the system's chronic underfinancing.

Programming is the service which public television can most uniquely provide to minority persons and women. Individual stations are making hard efforts to provide this service on a local level. For example, a station in the midwest has offered the following programs in recent months: a special entitled, "Jerry" about the experience of an inner-city black youth contrasted with the environment of an Iowa farm boy; the three-month series, "Black Perspective on the News"; two programs on "Africa Reports"; a tennis profile of Arthur Ashe; a special on the prison system involving many blacks; the special, "Trial: The City and County of Denver vs. Watson"; "The Descendants" exploring the African heritage; "Gondola", a play featuring an attorney crusading to save two black youths wrongly accused of a crime; a Bill Moyers' special on the "Challenge of Poverty"; interviews with Sarah Vaughan, Roosevelt Greer, Julian Bond, Mrs. Martin Luther King, Jr., Martina Arroyo and Wilt Chamberlain; two "Religious America" features on black churches; an examination of school busing; our own local series on "Policemen: Images and Realities" which explored how the police are viewed by the black community; "Man and His Music" included an exploration of the originations of Jazz from African roots; an in-depth exploration of Sickle Cell Anemia; a special on The Alvin Ailey Dance Theater of Harlem; and a moving performance of Lorraine Hansberry's "To Be Young, Gifted and Black." In addition, the station's Instructional Programming, structured specifically for classroom use, has had four regular series dealing wholly or in part with the black experience: "Americans ALL." "Other Families, Other Friends," "Reflection in Black," and "History of Black Americans." This station also regularly carried, in addition, the three minority-oriented series "Black Journal," "Interface," and "Soul."

In conclusion, I want to assure you again of the sense of urgency we feel with regard to improving our service to minority persons and women. We cannot promise miracles. We can only express our deep commitment to improving this service substantially in as short a time as possible. We hope that speedy passage of S. 3825 will hasten this improvement.

Sincerely,

HARTFORD N. GUNN, JR.,
President.

PUBLIC BROADCASTING SERVICE—EQUAL EMPLOYMENT OPPORTUNITY POLICY

It is the policy of the Public Broadcasting Service (hereafter "Service") to provide equal opportunity in employment for all qualified persons and to avoid discrimination in employment because of race, color, religion, sex, age or national origin. This policy will be implemented by affirmative action on the part of all officials, managerial personnel and employees of PBS. Notice of this policy shall be given to all Service employees.

I. RECRUITING

A. When positions are to be filled, qualified applicants will be sought without regard to race, color, religion, sex, age or national origin.

B. Notices shall be posted in the Service's employment offices in accordance with federal, state and local law, informing applicants of their equal employment rights and their right to notify cognizant governmental agencies if they believe that they have been the victim of discrimination.

C. The Service's employment application form will carry a notice in bold type informing applicants that discrimination because of race, color, religion, sex, age or national origin is prohibited and that they should notify the Service's Equal Employment Opportunity Officer if they feel that discrimination has been practiced against them and that they have the right to refer their complaints to their local Equal Employment Opportunity Commission office.

D. A continuing relationship shall be established with referral sources likely to produce minority applicants, including colleges and universities in the vicinity of the Service's offices with substantial minority enrollment, minority and human relations organizations, and minority leaders and spokesmen. It shall be made clear to these sources that the Public Broadcasting Service seeks referrals of qualified minority applicants for employment.

E. Service employees shall be encouraged to refer minority applicants for employment.

F. When employment agencies are asked to refer applicants for employment, it shall be made clear that applications from members of minority groups are specifically encouraged.

G. When advertisements are placed seeking applicants for employment, media with significant circulation among minority groups in the recruiting area shall be included. All employment advertisements shall identify the Public Broadcasting Service as an "Equal Opportunity Employer."

II. SELECTION AND HIRING OF NEW EMPLOYEES

A. All individuals making hiring decisions shall consider all applicants without discriminating on the basis of race, color, national origin, age, religion, or sex.

B. The Service will comply in all respects with employee selection procedure guidelines issued by the U.S. Equal Opportunity Employment Commission, including the avoidance of selection techniques or tests which have the effect of discriminating against minority applicants.

C. All applications for employment shall be processed promptly.

1. All applicants shall be requested to complete written application forms.

2. If an applicant is rejected, the hiring office involved shall (a) advise the applicant in writing of the reason for the rejection; (b) send a copy of the rejection notice to the organization which referred the applicant, if any; (c) retain a copy of the rejection notice.

D. The Service shall maintain a special file known as the "Affirmative Action File."

1. All applications from members of minority groups which are not accepted or are rejected shall be placed in the Affirmative Action File. The file shall consist of the applications of all minority group applicants not hired who are qualified for any position with the Service and also of those whose qualifications have not been established.

2. When employment vacancies occur for which no minority group applicant is presently available, the Service will consult the Affirmative Action File and will give every consideration to the hiring of applicants from that file before turning to outside sources.

3. The maintenance and use of the Affirmative Action File does not require the exclusion from consideration of any other applicant, nor does it imply a quota system for the hiring of members of any specific racial or ethnic group.

III. PLACEMENT AND PROMOTION OF EMPLOYEES

A. All placement and promotion shall be made on the basis of individual ability performance and the staffing needs of the Service. All minority group employees shall be considered for positions without discrimination.

B. The Service will continuously review the personnel records of minority group employees to identify their skills and qualifications for advancement. Employees found to have advancement potential will be encouraged to apply for better paid positions.

IV. WORKING CONDITIONS AND BENEFITS

A. All rates of pay and fringe benefits for employees shall be determined without regard to race, color, religion, sex, age or national origin.

B. All qualified employees in a department or section shall be advised whenever there is an opportunity to perform overtime work in the department or section.

C. Access to all Public Broadcasting Service programs (such as training programs and recreational activities) and facilities shall be without regard to race, color, religion, sex, age or national origin.

V. IMPLEMENTATION

A. The success of the Equal Employment Opportunity Policy of the Public Broadcasting Service is the responsibility of all officials and employees of the Service.

B. The President of the Public Broadcasting Service shall designate a person to be Equal Employment Opportunity Officer. The Equal Employment Opportunity Officer shall in turn designate a Deputy Equal Employment Officer in charge of Enforcement and a

Deputy Equal Employment Officer in charge of Complaints in each city where the Service has offices. In cities other than the principal place of business, the Equal Employment Officer may designate one Deputy for both functions.

1. The Deputy Equal Employment Officer in charge of Enforcement shall maintain the Affirmative Action File; be informed of all job openings; review this Policy with all personnel responsible for hiring no less frequently than quarterly; and generally review the practices of the Service covered by this Policy.

2. The Deputy Equal Employment Officer in charge of Complaints shall be the person to whom employees may come if they believe they have been the subject of discrimination.

C. The Equal Employment Opportunity Officer, with the assistance of the Deputy Equal Employment Opportunity Officers, shall:

1. Review all job areas within the Service in which there is little or no minority representation to insure that the situation is not the result of discrimination;

2. Review any seniority practices of the Service to insure that they do not have a discriminatory effect in practice; and

3. Maintain a continuing review of this Equal Employment Opportunity Policy and revise it as necessary to insure equal employment opportunity within the Public Broadcasting Service.

D. Each year, no later than May 31, the Equal Employment Opportunity Officer shall prepare a report for the President to include the following:

1. A statistical employment report prepared in accordance with the format of FCC Form 395;

2. An evaluation of the Service's Equal Opportunity Employment Policy, including comments on its operation in practice and any recommended changes; and

3. A summary of all complaints concerning discrimination made during the past year to the Equal Employment Opportunity Officer or any Deputy Equal Employment Opportunity Officer and the disposition of each such complaint.

VI. COMPLAINT PROCEDURE

A. Any person who believes that he or she has been the victim of discrimination because of race, color, religion, sex, age or national origin, may make a complaint to the Public Broadcasting Service.

B. Each complaint shall be in writing and signed by the complainant and shall state with specificity the date and nature of the alleged discrimination.

C. Complaints shall be submitted to the Deputy Equal Employment Opportunity Officer in charge of Complaints in the city where the discrimination complained of is thought to have taken place. The Deputy shall investigate the complaint and shall hold a hearing unless the complainant does not wish to have a hearing. If there is no hearing, the Deputy shall advise the complainant in writing of his determina-

tion of the case within 15 days after receipt of the complaint. If there is a hearing, the hearing shall commence within 15 days of receipt of the complaint by the Deputy, and the Deputy's decision shall be rendered within 7 days after completion of the hearing.

D. If the Deputy Equal Employment Opportunity Officer finds the complaint justified, he shall recommend remedial action to the appropriate authority. If he finds the complaint not justified, he shall so notify the complainant and shall also notify the complainant that review of the determination may be obtained by submitting a written request to the Equal Employment Opportunity Officer within 30 days.

E. Upon receipt of a request for review, the Equal Employment Opportunity Officer shall review the original complaint and the Deputy Equal Employment Opportunity Officer's decision and shall then make a determination of the case. The Equal Employment Opportunity Officer's decision shall be made known to the complainant in writing within 15 days of receipt of the request for review. The letter shall be closed with the following paragraph: If you still believe you have not been given an equal opportunity in employment, you have the right to seek assistance from the Equal Employment Opportunity Commission. Their offices in Washington, D.C., are located at 1800 G Street, N.W., Washington, D.C. 20506.

F. No person shall be penalized, disciplined or the object of any reprisal because of the fact that he submitted a compalint concerning discrimination.

MINORITY EMPLOYMENT REPORT FOR U.S. BROADCASTING SERVICES BY STATES—NUMBER OF EMPLOYEES

State community, market or metro area	Total employees	Total females	Minorities (including female employees)				
			Total	Negro	Oriental	American Indian	Spanish-American
U.S. broadcasting totals:							
Commercial television	45,742	10,694	6,096	3,835	375	183	1,703
Commercial radio	62,697	14,488	6,606	4,153	240	314	1,899
FM radio	5,431	1,170	540	388	20	23	109
Noncommercial television	6,983	2,045	719	502	70	22	125
Noncommercial radio	2,277	579	255	189	14	12	40
Broadcasting headquarters	13,830	4,025	1,923	1,229	183	16	495
All classes for U.S. broadcasting	136,960	33,001	16,139	10,296	902	570	4,371

MINORITY AND WOMEN'S PROGRAMING HOURS FOR FISCAL YEAR 1974

	Time (hours)	Hours repeated within the week
Programing by, for and/or about blacks	79.0	25.0
Programing by, for and/or about other minorities	57.5	1.0
Programing by, for and/or about women	32.5	8.5
Total	169.0	30.5

PROGRAMING BY, FOR AND/OR ABOUT BLACKS

	Time (hours)	Hours repeated within the week
Black Journal	16.0	
Interface	8.0	
Black performers	8.0	8.0
Black Perspective on the News	6.5	
Specials of the Week: Black Life: Mrs. Martin Luther King; Newport Jazz Festival: A Tribute to Louis Armstrong; The Trial of Henry Flipper; Mabel Mercer, Bobby Short and friends; Soul: Alvin Ailey: Memories and Visions On the Road with Duke Ellington	5.5	5.5
Jazz Set	4.5	1.5
[illegible]ood	2.0	
Evening at Pops	7.0	7.0
Firing Line: Politics and Black Progress; What Now for the Ghetto?	2.0	
Just Jazz	2.5	2.0
Bill Moyers Journal: John Hope Franklin; Maya Angelou	1.5	
Free Stage	1.0	
One of a Kind	1.0	
Advocates: Should Colleges give Preferential Treatment to Minority Group Applicants?	1.0	
Decade of Change	1.0	
Black Political Power	1.0	
Black is a Beautiful Woman	1.0	
Religious America	1.0	
Boboquivari	1.0	
Arthur Prysock	1.0	.5
Cosby on Prejudice	.5	.5
Lightnin Hopkins	.5	
Washington Connection: Busing	.5	
Washington Straight Talk: Andrew Brimmer	.5	
Devout Young	.5	
Towers of Frustration	.5	.5
Sessions	3.5	3.0
Total	79.0	25.0

PROGRAMING BY, FOR AND/OR ABOUT OTHER MINORITIES

	Time (hours)	Hours repeated within the week
Carrascalendas	36.5	
Killers	10.0	
Lotoma	.5	
American Indian Days	1.0	1.0
Menominee	1.0	1.0
Religious America	.5	
Sesame Street "En Todas Partes"	.5	
America Tropical	.5	
Total	57.5	1.0

PROGRAMING BY, FOR AND/OR ABOUT WOMEN

	Time (hours)	Hours repeated within the week
Woman	19.5	4.5
Firing Line: Abortion; Germaine Greer; ERA	2.5	2.5
Specials of the Week: Cambridge Debate on Women's Lib; Growing Up Female	2.0	
What's The Big Idea?: Why Women Don't Succeed; The Making of Presidents By Wives and Mothers	2.0	
Bill Moyers Journal: ERA; Lillian Hellman	1.5	
Book Beat: Male Chauvinism; A Woman Alone; A Different Woman	1.0	1.0
Woman Alive	.5	
Fear Woman	.5	.5
Joyce at 34	32.5	8.5
Total		

Appendix C

Corporation for Public Broadcasting,
Washington, D.C., March 5, 1975.

Hon. John O. Pastore,
Chairman, Subcommittee on Communications, Senate Committee on Commerce, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Your Committee now has under consideration S. 893, the Public Broadcasting Financing Act of 1975. Except for technical changes, this Bill as proposed by the Administration is identical to the Administration Bill proposed last year (S. 3825, 93rd Congress, Public Broadcasting Financing Act of 1974). On behalf of public broadcasting, we urge that your Committee consider S. 893 at an early date and that it approve the Bill with the same amended ceilings included in S. 3825 when that Bill was reported out on August 20, 1974.

Last year, as you recall, you and your colleagues accepted the unanimous conviction of the public broadcasting community that the ceilings in the Bill as introduced were too low to allow the primary feature of this funding approach—the matching grant principle—to work effectively.

Your Committee Report, No. 93-1113 of August 20, 1974, stated:

> If the matching grants principle is to provide incentives for increased non-Federal funding, these ceilings must be high enough so that it is realistic to expect them to provide such incentives.

The matching provisions of the Bill allocate $1.00 Federal for each $2.50 of non-Federal income raised by public broadcasting. In fiscal year 1973, the verified income from non-Federal sources was almost $200 million; in fiscal year 1974, although we do not have a final tally, it is clear that the total will be approximately $220 million. Applying the 1:2.5 ratio, with 1974 serving as a base year for the determination of the fiscal 1976 appropriation, the fiscal year 1976 Federal allocation would be $88 million—or $18 million above the initial ceiling contained in the Administration Bill.

We are pleased that the President has restated the principle of insulated funding for public broadcasting in his transmittal letter. In the 1967 report of the Carnegie Commission, the essentiality of insulated funding was similarly recognized. The considerations involved are fundamental to our nation: first amendment freedoms of speech and of the press.

The ceilings in any "insulated, long-range financing bill," containing the matching concept, therefore must be high enough to permit the match to work so appropriations will be determined by the amount generated by the match. It is the arithmetical nature of arriving at the appropriations level that is the heart of true insulation, coupled with the multi-year feature of this Bill. Conversely, a ceiling in the Bill, lower than that which could be achieved by a one to two and one-half ratio, would really defeat the purpose stated in the Administration's transmittal. We feel this makes the Administration's recommended ceilings no better than a request for annual appropriations. This would

not achieve the desired insulation. Your Committee's action last August in support of higher ceilings—$88 million for fiscal year 1976, up to $160 million for fiscal 1980, clearly recognized these principles and is endorsed by all facets of public broadcasting.

The matching principle contained in the legislation not only provides insulation and incentive for the system to raise non Federal funds, but also offers a gauge of the effectiveness of the system itself. If public broadcasting is proving a worthwhile service, it will be able to increase its local and national non-Federal support and thus earn additional Federal dollars with which to provide still better service to the American people.

All of us in public broadcasting are keenly aware of the understanding support that your colleagues and you have extended to us over the years. Please let us know if there is anything we can do to facilitate your consideration of this very important legislation.

Very truly yours,

ROBERT S. BENJAMIN,
Chairman of the Board,
Corporation for Public Broadcasting.

RALPH B. ROGERS,
Chairman of the Board,
Public Broadcasting Service

WILLIAM H. KLING,
Chairman of the Board,
Association of Public Radio Stations.

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